

Appendix B

**REAL ESTATE
DISCLOSURE REQUIREMENTS**

CALIFORNIA GOVERNMENT CODE**SECTION 8897.1-8897.5**

Section 8897.1.

- (a) After January 1, 1993, the transferor of any real property containing any residential dwelling built prior to January 1, 1960, with one to four living units of conventional light-frame construction, as defined in Chapter 25 of the 1991 Edition of the Uniform Building Code of the International Conference of Building Officials, shall, as soon as practicable before the transfer, deliver to the purchaser or transferee a copy of the "Homeowner's Guide to Earthquake Safety" published pursuant to Section 10149 of the Business and Professions Code and complete the earthquake hazards disclosure regarding the property. The earthquake hazards disclosure shall clearly indicate whether the transferor has actual knowledge that the dwelling has any of the deficiencies listed in Section 8897.2.
- (b) The transferor shall make the earthquake hazards disclosure as soon as practicable before the transfer of title in the case of a sale or exchange, or prior to execution of the contract where the transfer is by a real property sales contract, as defined in Section 2985. For purposes of this subdivision, the disclosure may be made in person or by mail to the transferee, or to any person authorized to act for him or her in the transaction, or to additional transferees who have requested delivery from the transferor in writing.
- (c) This article does not apply to any of the following:
 - (1) Transfers which are required to be preceded by the furnishing to a prospective transferee of a copy of a public report pursuant to Section 11018.1 of the Business and Professions Code.
 - (2) Transfers pursuant to court order, including, but not limited to, transfers ordered by a probate court in the administration of an estate, transfers pursuant to a writ of execution, transfers by a trustee in bankruptcy, transfers by eminent domain, or transfers resulting from a decree for specific performance.
 - (3) Transfers to a mortgagee by a mortgagor in default, transfers to a beneficiary of a deed of trust by a trustor in default, transfers by any foreclosure sale after default, transfers by any foreclosure sale after default in an obligation secured by a mortgage, or transfers by a sale under a power of sale after a default in an obligation secured by a deed of trust or secured by any other instrument containing a power of sale and, any subsequent transfer by a mortgagor or beneficiary of a deed of trust who accepts a deed in lieu of foreclosure or purchases the property at a foreclosure sale.
 - (4) Transfers by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust.
 - (5) Transfers from one coowner to one or more coowners.
 - (6) Transfers made to a spouse, or to a person or persons in the lineal line of consanguinity of one or more of the transferors.
 - (7) Transfers between spouses resulting from a decree of dissolution of a marriage, from a decree of legal separation, or from a property settlement agreement incidental to either of those decrees.
 - (8) Transfers by the Controller in the course of administering the Unclaimed Property Law provided for in Chapter 7 (commencing with Section 1500) of Title 10 of Part 3 of the Code of Civil Procedure.
 - (9) Transfers under the provisions of Chapter 7 (commencing with Section 3691) or Chapter 8 (commencing with Section 3771) of Part 6 of Division 1 of the Revenue and Taxation Code.
 - (10) Transfers for which the transferee has agreed in writing that the dwelling will be demolished within one year of the date of transfer.

8897.2. (a) The transferor shall disclose any of the following deficiencies which are within the transferor's actual knowledge and material to the transaction, and which may increase a dwelling's vulnerability to earthquake damage:

- (1) The absence of anchor bolts securing the sill plate to the foundation.
- (2) The existence of perimeter cripple walls that are not braced with plywood, blocking, or diagonal metal or wood braces.
- (3) The existence of a first-story wall or walls that are not braced with plywood or diagonal metal or wood braces.
- (4) The existence of a perimeter foundation composed of unreinforced masonry.
- (5) The existence of unreinforced masonry dwelling walls.
- (6) The existence of a habitable room or rooms above a garage.
- (7) The existence of a water heater which is not anchored, strapped, or braced.

(b) The transferor shall be required to disclose any material information within the transferor's actual knowledge regarding any corrective measures or improvements taken to address the items listed in subdivision (a).

8897.3. (a) For the purposes of this chapter, if it is determined that retrofit work is appropriate to address potential deficiencies listed in paragraph (1) or (2) of subdivision (a) of Section 8897.2, the following standards shall be used:

- (1) The foundation anchor bolt requirements of subdivision (f) of Section 2907 of Chapter 29 of the 1991 Edition of the Uniform Building Code of the International Conference of Building Officials, or any local government modification which establishes equivalent or higher requirements.
- (2) The cripple wall bracing requirements of paragraph (4) of subdivision (g) of Section 2517 of Chapter 25 of the 1991 Edition of the Uniform Building Code of the International Conference of Building Officials, or any local government modification which establishes equivalent or higher requirements.
- (3) The water heater bracing, anchoring, or strapping requirements to resist falling or horizontal displacement due to earthquake motion of Section 19215 of the Health and Safety Code.

(b) Any qualified historical building or structure, as defined pursuant to Section 18955 of the Health and Safety Code, shall be permitted to utilize alternatives to the requirements of this section, as provided by the State Historical Building Code (Part 2.7 (commencing with Section 18950) of Division 13 of the Health and Safety Code) and the regulations issued pursuant thereto.

8897.4. No transfer of title shall be invalidated on the basis of a failure to comply with this chapter.

8897.5. For the purposes of this chapter, the duty of the real estate licensee shall be limited to providing to the seller a copy of the Homeowner's Guide to Earthquake Safety for delivery to the prospective transferee pursuant to Section 2079.8 of the Civil Code.